

Roll Number

SET A



INDIAN SCHOOL MUSCAT  
ANNUAL EXAMINATION  
ENTREPRENEURSHIP

CLASS: XI

Sub. Code: 066

Time Allotted: 3 Hrs.

18.02.2020

Max. Marks: 70 Marks

**General Instructions:**

- There is no overall choice, though internal choice is given.
- Questions 1 to 17 are objective questions carrying 1 mark each.
- Questions 18 to 24 carries 2 marks each. Answer may be within 50 to 75 words.
- Questions 25 to 29 carries 3 marks each. Answers may be about 100 words.
- Questions 30 to 32 carries 4 marks each. Answers may be about 150 words.
- Questions 33 to 34 carries 6 marks each. Answers may be about 200 words.

1. One level channel of distribution is one which provides goods to the customers through----- 1  
(a) Wholesalers (c) Retailers  
(b) Agents (d) Its own retail shops
2. This is not included as a step in market survey. 1  
(a) Planning the survey (c) Analysis and Interpretation of data  
(b) Field work (d) Customer satisfaction
3. Adding new features, setting quality levels and alternative technology are ----- strategy 1  
of intensive expansion.  
(a) Product development strategy (c) Market development strategy  
(b) Penetration Strategy (d) Retrenchment strategy
4. Producers, Customers, Competitors, Suppliers and intermediaries are various ----- 1  
environmental factors.  
(a) Micro (c) Macro  
(b) Social (d) Legal
5. According to the concept of entrepreneurship, the outcome of entrepreneur and entrepreneurship is 1  
\_\_\_\_\_.
6. \_\_\_\_\_ are employees within a company who are instructed to do the tasks of an 1  
entrepreneur with the firm's resources.

7. CSR which is merged with business ethics stands for \_\_\_\_\_. 1
8. \_\_\_\_\_ entrepreneurs establish business enterprises with the sole motive to earn profit by selling them once they are established. 1
- OR**
- \_\_\_\_\_ entrepreneurs manufacture products which have effective demand in the market.
9. The personality trait which has 'warm selling' as one of its feature is known as \_\_\_\_\_. 1
- OR**
- The personality trait who look at people as vehicles for helping them to accomplish their goals are known as \_\_\_\_\_.
10. A group of people who sit together to generate an idea by innovating alternative ways of meeting the needs and solving problems is called \_\_\_\_\_. 1
11. \_\_\_\_\_ are programs to support the successful development of entrepreneurial companies through an array of business support resources and services. 1

(1x6)

Match the following:

12. Indirect tax	Copyright and patent
13. Intangible resources	Auditors and bankers
14. Business mentor	GST
15. Professional manpower	Fixing very high price initially for the product
16. Skimming Price method	Helps to collect, maintain and organize data.
17. Business intelligence	Individual or organization which offers guidance and support services to new entrepreneurs.

18. Explain the following two managerial functions of an entrepreneur: 2
- (a) Planning                      (b) Organizing

**OR**

Mention and explain any two entrepreneurial functions.

19. Differentiate between feasibility study and business plan. 2
20. Explain insurable risk and non -insurable risk with one example for each. 2
21. There are various factors which inhibit the growth of entrepreneurship, from these explain the personal barriers to entrepreneurship. 2
22. Define the types of vertical integration expansion strategies. 2
23. Differentiate between angel investors and venture capitalists. 2

**OR**

Describe how capitalization is different from capital structure.

24. Give any two differences between stability strategy and expansion strategy. 2
25. Elaborate the following ways to enter foreign market: 3
- Direct export
  - Indirect export
  - Licensing
- OR**
- Explain any the following tertiary industries.
- Banking
  - Insurance
  - Advertising
26. Describe Mc Clellands theory of motivation. 3
27. Women entrepreneurs have braved the world and carved a niche for themselves. Still there are lot of challenges faced by these women entrepreneurs. Explain in detail any three such challenges. 3
28. Internal risks are those risks which arise from the events taking place within the business enterprise. Identify and explain such factors. 3
29. The following information relates to a company, which produces Plastic Bottles. 3
- |                             |           |
|-----------------------------|-----------|
| Direct Labour per unit      | Rs.10     |
| Direct Material per unit    | Rs.25     |
| Variable overheads per unit | Rs.15     |
| Fixed costs                 | Rs.30,000 |
| Selling price per unit      | Rs.100    |
- Calculate:
- Variable cost per unit
  - The minimum number of units that must be sold for the company to break even.
30. Write a note on the role of e-business. 4
31. Identify and explain the sources of finance highlighted in the following cases: 4
- It facilitates the purchase of goods and services without making immediate payment.
  - Their holders enjoy the right to vote.
  - This source involves setting back of profits.
  - It puts a permanent obligation on the company to pay interest.
32. Elaborate the characteristics of social entrepreneurs. 4
33. Starting a venture requires a series of activities to be undertaken. Discuss them briefly. 6
- OR**
- Identify the need for entrepreneurship.

34. Rahul is planning to start a shop. He plans to bring his own money of Rs. 50,000 into the business and also Rs. 40,000 to be borrowed from his friend. 6

The initial expenses (assets) for setting up the shop will be Rs. 30,000. He is planning to purchase the goods @ Rs. 100 per unit and is intending to sell it @ Rs. 120 per unit. The supplier has agreed to send goods once in a month. Money from credit sales will be received in the following month. The fixed cost starts only from the 1<sup>st</sup> month of starting its operations. He is also planning to appoint a sales person for a salary of Rs. 2000. The commission on sales to him is 10 % on sales.

The expected rent for his shop is Rs.2000 per month and other office expenses is expected to be Rs.1000 per month.

Prepare a cash flow projection statement for two months (0, 1 and 2).

Month	1	2	3
Total Sales (Units)	50	55	60
Cash Sales (Units)	40	42	40
Credit Sales (Units)	10	13	20
Cash Sales (Rs.)	4,800	5,040	4,800
Credit Sales (Rs.)	1,200	1,560	2,400

**End of the Question Paper**